



## TRADE GAP SHRINKS IN FEBRUARY 2004

*Preliminary estimates of U.S. international trade in goods and services*

The U.S. monthly goods and services deficit narrowed slightly in February 2004, according to estimates released today by the U.S. Bureau of Economic Analysis and the U.S. Census Bureau. The deficit decreased \$1.4 billion from January to \$42.1 billion in February as the growth in exports outpaced the growth in imports. Both exports and imports grew substantially to record highs in February after receding slightly in January.



### Exports

Exports of goods and services jumped \$3.5 billion in February to \$92.4 billion as goods exports rose sharply and services exports also increased.

- A strong step-up in *capital goods* led increases in all broad categories of goods exports.
- Exports of services rose moderately as nearly all broad categories contributed small increases.

### Imports

Imports of goods and services climbed \$2.2 billion in February to \$134.5 billion as both goods and services exhibited modest gains.

- Growth in *industrial supplies and materials* and *automotive vehicles, parts, and engines* was tempered by downturns in *capital goods* and *consumer goods*.
- Services imports rose moderately as nearly all broad categories increased by a small amount.

### Goods by geographic area (not seasonally adjusted)

- The goods deficit with China decreased from \$11.5 billion in January to \$8.3 billion in February. Exports increased \$0.4 billion to \$3.0 billion, while imports decreased \$2.8 billion to \$11.3 billion.
- The goods deficit with the European Union increased from \$5.9 billion in January to \$7.4 billion in February. Exports increased \$1.1 billion to \$13.6 billion, while imports increased \$2.5 billion to \$21.0 billion.
- The goods deficit with Japan increased from \$5.3 billion in January to \$6.1 billion in February. Exports increased \$0.1 billion to \$4.1 billion, while imports increased \$0.9 billion to \$10.2 billion.

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BEA's data—including GDP, personal income, the balance of payments, foreign direct investment, the input-output accounts, and economic data for states, local areas, and industries—are available on its Web site: <[www.bea.gov](http://www.bea.gov)>.

NOTE: This and more information is provided in the U.S. Bureau of Economic Analysis and U.S. Census Bureau press release, U.S. International Trade in Goods and Services: February 2004. The next release is May 12, 2004.

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